

1 the table while we go through that process. Yes,
2 Bill?

3 COMMISSIONER BIBLE: Is your price capable
4 of negotiation? It was suggested that maybe
5 negotiating would lower the price?

6 MS. TORREY: Our price is sort of what --
7 for the kinds of activities we laid out for you. So
8 what we would have to do is we would have to take some
9 of those activities off the table. We have -- one of
10 our big problems and one of our real expenses is our
11 review process and it goes into the question of time
12 that somebody raised. It is -- we have such an
13 extensive review by outside scientists of our work
14 that it really -- it reduces our degrees of freedom in
15 negotiating.

16 COMMISSIONER BIBLE: Which I guess then
17 you are suggesting that if the price were reduced that
18 the quality of the work product may not be the same?

19 MS. TORREY: I have to tell you that is
20 true.

21 COMMISSIONER BIBLE: Okay. Thank you.

22 CHAIRPERSON JAMES: Do we have any other

1 questions for this panel before we begin those
2 discussions? John?

3 COMMISSIONER WILHELM: Am I correct in
4 understanding that this business about bidding is not
5 a factor with respect to the NRC?

6 MS. TORREY: We don't bid. Our -- the
7 people who serve on our committees are volunteers. We
8 pay them their travel and their food. We give them
9 cookies in the afternoon. We will pay occasionally
10 for papers for workshops, but those are -- that is
11 \$1,000.00. And because we are not a federal agency,
12 we don't have to bid.

13 CHAIRPERSON JAMES: They aren't bound by
14 those sticky little procurement laws.

15 COMMISSIONER WILHELM: Is the ACIR's
16 requirement because of us or because of them?

17 CHAIRPERSON JAMES: I think he answered
18 that when he said it is because they are a federal
19 agency and are bound by federal laws. Thank you very
20 much. We appreciate your coming here today and thank
21 you for the work you have done, particularly with our
22 research subcommittee.

1 We are now, in fact, into the portion of
2 our agenda where we are talking about the contract for
3 both of these organizations.

4 COMMISSIONER MCCARTHY: I would like to
5 move, Madam Chair, that we approve the plan of action
6 submitted by the National Research Council as
7 amplified by the presentation and the questions and
8 answers we have just heard and authorize the Chair to
9 move forward and negotiate a contract with them as
10 promptly as possible.

11 CHAIRPERSON JAMES: Is there a second?

12 COMMISSIONER LOESCHER: I second the
13 motion.

14 CHAIRPERSON JAMES: I'd like to open for
15 discussion of that motion at this particular time.

16 COMMISSIONER MCCARTHY: I think that I am
17 enormously impressed by the professionalism of this
18 group and I think we are going to get a good product.
19 I am mindful of the total budget research dollars we
20 will have, but this one there is absolutely no
21 question in my mind that we have all the data that we
22 can hope to have before us and all of the appropriate

1 information on which to make a judgment and I think
2 the subject matter of pathological gambling is one of
3 the critical ones that we are going to have to face on
4 this Commission. And I would at least like to get
5 this part of the research undertaken so that we don't
6 defer all of the research that this committee is going
7 to have to make a judgment upon. I have already
8 talked to one member of the Commission who has a
9 couple of good contacts at one or two foundations and
10 we are going to try to work very hard to see if we can
11 get some additional research dollars so that we are
12 not caught short as the full Commission examines all
13 areas that should appropriately be researched.

14 CHAIRPERSON JAMES: Jim?

15 COMMISSIONER DOBSON: Madam Chair, I am
16 going to vote against the motion. Not because I
17 oppose our affiliation with the NRC, but because I
18 just feel like it is premature to make that decision.
19 I may be the only one, but I would like to defer that
20 judgment until we have a chance to look at all that we
21 are trying to do and then fit the pieces together.

22 CHAIRPERSON JAMES: John?

1 COMMISSIONER WILHELM: As I started to say
2 before, I support -- now that it is a motion, I
3 support the motion because, one, the law requires the
4 Commission to contract with the National Research
5 Council. Two, as Leo said, I think all three of us on
6 the research committee were quite impressed with the
7 approach and professionalism of the National Research
8 Council. Three, while I am sensitive to the point
9 that Richard and Jim made before about the budget, and
10 obviously we don't have a budget -- nevertheless,
11 particularly in view of the NRC's response to Bill's
12 question, that is, is this price negotiable, and I
13 understood the answer to be not if you want us to do
14 what it is that we are supposed to do with the rigor
15 that we customarily do it, then it seems to me that
16 for those reasons that it is not premature to contract
17 with this group. And for that reason, I support the
18 motion.

19 CHAIRPERSON JAMES: Paul?

20 COMMISSIONER MOORE: I will probably
21 support the motion also, but I would like before we
22 vote -- I am not very carried away with ACIR and maybe

1 this is not the time to discuss that, but I would like
2 to know what our legal ramifications are that we have
3 to deal with ACIR. It seems to me like they are sort
4 of like a shell company or whatever you call that.
5 Someone didn't think that they ought to exist and
6 didn't fund them and then he says they went back and
7 did fund them. He says that they have two people and
8 maybe two people working part-time, and they are going
9 to go out and hire all of these people. There is
10 going to be time in getting contracts or bidding
11 these. And so I would just like to know what our legal
12 obligations are. I don't know if this has anything to
13 do with NRC, but I think they fall under the same
14 category in the law.

15 CHAIRPERSON JAMES: What I would like to
16 do is confine our discussion at this point to the
17 motion that is on the table and that is NRC. And when
18 we complete that, then I think it would be appropriate
19 to entertain some discussion or a motion about ACIR.

20 COMMISSIONER BIBLE: Before we act on
21 Leo's motion -- Leo, we have in our package of
22 materials something referred to as general research

1 policy guidelines that were prepared -- I guess you
2 must have prepared these items.

3 COMMISSIONER MCCARTHY: Yes.

4 COMMISSIONER BIBLE: Would your motion
5 include incorporating these guidelines into the
6 proposed contract?

7 CHAIRPERSON JAMES: Can I ask
8 Commissioners to please use the microphones?

9 COMMISSIONER MCCARTHY: Yes.

10 COMMISSIONER BIBLE: Good.

11 COMMISSIONER MCCARTHY: I don't think we
12 need to formally include them in this agreement. I
13 view those as applicable to all research that will be
14 undertaken by the Commission.

15 COMMISSIONER BIBLE: No, and I would agree
16 with that. I think that they are very good guidelines
17 and we should use them in all endeavors.

18 CHAIRPERSON JAMES: My understanding is
19 that you all discussed those research guidelines in
20 your subcommittee and made some changes to them. And
21 I think before Commissioners agree that they would
22 like to see those included in the research as the

1 guidelines, it may be helpful to know or have from the
2 committee a report on what changes you did make.

3 COMMISSIONER MCCARTHY: I made changes.
4 The changes referred to are ones that I made to John
5 Wilhelm's original draft.

6 COMMISSIONER BIBLE: But they are in the
7 copies --

8 COMMISSIONER MCCARTHY: They are included
9 in this copy.

10 CHAIRPERSON JAMES: Okay. I am sure that
11 I have them here in this stack of paper. But for the
12 benefit of the Commission and of the audience, John,
13 would you -- either John or you, Leo, if you could
14 talk about what changes you made to them, that would
15 be helpful.

16 COMMISSIONER MCCARTHY: As soon as I find
17 a copy of it. I must have a copy of my own among
18 these 3,000 pieces of paper I have here. I changed --
19 I made a suggested change which Mr. Wilhelm suggested
20 in B. He had, "To the greatest extent possible, the
21 Commission shall rely upon quantitative research."
22 Originally the language also had "rather than

1 qualitative research", and while I do agree that
2 quantitative research to establish a trustworthy
3 common base of data should be used in all research, in
4 this kind of subject matter, there will be some
5 qualitative research that is made, and I think Carol
6 Petrie made reference to that in her presentation. So
7 I asked John to remove that language so that we did
8 not appear to be dismissive of qualitative research.

9 In D, I inserted the clause that begins
10 that section, "In order to provide local, state,
11 Indian tribal, and federal officials as well as the
12 public with the data." That is practical for self-
13 evident reasons as a basis for what follows after
14 that. That's the main purpose, to get that out to the
15 public and to all of the officials. I added card
16 clubs to the list of forms of gambling that were
17 included. That is in D also, toward the end of D. I
18 made changes that Mr. Wilhelm was kind enough to
19 accept in D and E -- I am trying to recall because I
20 don't have both versions in front of me. Yes, I think
21 it was primarily to give the Commission the
22 flexibility that what we would want to look at is

1 regions, not necessarily one locale, so that we could
2 compare different forms of gambling and look at the
3 differences in customer profiles that migrate from
4 area to area. That language is in the latter half of
5 that section. To the same point in G, that we should
6 focus a substantial part of our research by selecting
7 a defined number of regional areas. I don't know what
8 those are yet or how to define them, but we are
9 getting a better idea of that. Whether we group
10 together Pequot and Atlantic City or Mississippi and
11 Louisiana or California and Nevada, I am not sure.
12 That is going to take a great deal of conversation.
13 My point was not to in any microstudy select too small
14 a base because it wouldn't give us the diversity that
15 we need to provide useful data. I think that is
16 pretty much it. John, do you want to --

17 COMMISSIONER WILHELM: There were just two
18 others, Leo, that you had -- one that you had made in
19 C. The earlier draft said "statistical methodology
20 utilized by other governmental research
21 organizations", and you changed it, I think
22 appropriately, to "statistical methodology utilized by

1 professionally respected private and public entities."
2 And then the last change, which I think got omitted,
3 Leo, on the copy the Commissioners have, was the one
4 that Jim suggested in D. It should read in D at the
5 beginning, "In order to provide local, state, Indian
6 tribal, and federal officials as well as public
7 officials with data of practical application in
8 diverse communities and environments considering the
9 limitation," -- that was Jim's insertion --
10 "initiation or expansion of legalized gambling."

11 COMMISSIONER MCCARTHY: Yes, that was in
12 my version. So this must be the original version.

13 COMMISSIONER WILHELM: The word limitation
14 along with initiation or expansion was supposed to be
15 inserted there.

16 COMMISSIONER MCCARTHY: Right. What I
17 distributed does have the limitation word in it.

18 COMMISSIONER WILHELM: Oh, it does? Okay,
19 this one doesn't. Sorry. Those were the changes as
20 far as I know.

21 CHAIRPERSON JAMES: Thank you. That was
22 very helpful.

1 COMMISSIONER MCCARTHY: Now that isn't to
2 suggest that some other member of the Commission is
3 not going to say why did those three fellows on the
4 subcommittee on research leave out this very critical
5 area. A blinding light may strike them at 3:00 a.m.
6 tomorrow morning while they are thinking about this
7 material, and we are amenable to that. But we think
8 we have got a set of principles here that would be
9 useful. So the answer is, yes, I think -- to the
10 extent practical, pathological gambling research is
11 obviously going to be a lot different in many respects
12 than economic impact. So we have to -- it has to be
13 applied -- the principles have to be applied with
14 common sense, of course. It is going to be easier to
15 apply those principles in some forms of research like
16 economic impact than it might be with pathological
17 gambling.

18 COMMISSIONER BIBLE: But at least there is
19 a commonality of data gathering. We will be
20 collecting it uniformly, so that this contract won't
21 look different than some other contract.

22 COMMISSIONER MCCARTHY: Yes.

1 CHAIRPERSON JAMES: May I make a
2 suggestion then that we entertain a separate motion so
3 that this will apply to all of the research that we do
4 and not just insert it into this particular one? I
5 think we ought to vote on the motion that is on the
6 floor and then I would be happy to entertain a second
7 motion that would adopt these as the general research
8 guidelines. Any further discussion? Yes, Richard?

9 COMMISSIONER LEONE: I have a -- my head is
10 with Dr. Dobson on this one because that is
11 undoubtedly a problem to proceed even in an area as
12 essential as this and commit what, if we are
13 unsuccessful in raising outside money, could amount to
14 a third or so of the research budget by any eyeballing
15 of what we have got to do and what we have got. On
16 the other hand, I understand this is -- I don't want
17 to be Montgomery to Leo's Patton here. I understand
18 the desirability of just going forward because the
19 chances are excellent -- we have got the right group,
20 I think, to look at this and they have obviously a
21 professional approach and it has got to be part of the
22 report. And to wait a few more months and then be in

1 the same place with that much less time makes no
2 sense. I guess to make me a little more comfortable
3 with what I am sure is going to be the outcome of this
4 vote -- I am sorry?

5 CHAIRPERSON JAMES: Yes. I was going to
6 suggest that we focus on what the motion is and that
7 the motion is not that we are signing a contract
8 today.

9 COMMISSIONER LEONE: That is what I was
10 going to say.

11 CHAIRPERSON JAMES: The motion is that we
12 begin that process. And I think that when we are at
13 the point where we have a final contract, we bring it
14 back before this Commission and that will give us the
15 opportunity, then, to fit it in with the larger --

16 COMMISSIONER LEONE: Kay, I am not asking
17 for that. In fact, I was with you to that point. I
18 wanted to be clear in my own mind that you would be
19 negotiating this and put it in a context that made
20 sense to you in terms of our overall budget. But I
21 view this as delegating to you the ability to do that
22 and I think you should. I don't think we should have

1 to wait until October or November if your judgment is
2 that we can put this thing together in a few weeks or
3 a month when we have eyeballed some of the other
4 numbers. Then I think we should do it in spite of the
5 fact that in some parallel universe they are doing
6 this in a more sensible way. We don't have that
7 luxury. So I just -- with that in mind, then I will
8 support this.

9 CHAIRPERSON JAMES: Any other discussion
10 on the amendment that is before us?

11 COMMISSIONER LOESCHER: Madam Chairman,
12 could you have the motion restated, please, from
13 somebody who is taking minutes?

14 CHAIRPERSON JAMES: Certainly. Who was
15 taking that? I am not sure that she is doing it
16 contemporaneously. So that I would ask Leo --

17 COMMISSIONER MCCARTHY: Is somebody ready
18 to copy down these extraordinary words that I am about
19 to utter?

20 CHAIRPERSON JAMES: Absolutely.

21 COMMISSIONER MCCARTHY: I will speak
22 slowly here. I move that the Commission, based on the

1 prospectus and plan of action submitted by the
2 National Research Council, authorize the Chairman of
3 the Commission to proceed to negotiate and sign a
4 contract to do the research that is outlined in the
5 prospectus.

6 COMMISSIONER LOESCHER: I seconded the
7 motion.

8 CHAIRPERSON JAMES: That is right. The
9 motion was seconded by Mr. Loescher. We have had
10 discussion. Are we ready for the vote? All in favor,
11 please say aye?

12 COMMISSIONER LOESCHER: Madam Chairman, I
13 would like a roll call vote.

14 CHAIRPERSON JAMES: You may certainly have
15 one. Mr. Bible?

16 COMMISSIONER BIBLE: Aye.

17 CHAIRPERSON JAMES: Mr. Dobson?

18 COMMISSIONER DOBSON: No.

19 CHAIRPERSON JAMES: Mr. Lanni?

20 COMMISSIONER LANNI: Aye.

21 CHAIRPERSON JAMES: Mr. Leone?

22 COMMISSIONER LEONE: Aye.

1 CHAIRPERSON JAMES: Mr. Loescher?

2 COMMISSIONER LOESCHER: Yes.

3 CHAIRPERSON JAMES: Mr. McCarthy?

4 COMMISSIONER MCCARTHY: Aye.

5 CHAIRPERSON JAMES: Mr. Moore?

6 COMMISSIONER MOORE: Aye.

7 CHAIRPERSON JAMES: Mr. Wilhelm?

8 COMMISSIONER WILHELM: Aye.

9 CHAIRPERSON JAMES: And the Chair votes
10 aye. That is 8:1, the motion carries. At this point,
11 I would like to entertain a motion, perhaps from Mr.
12 Wilhelm, on his general research guidelines. We
13 delayed a discussion of that.

14 COMMISSIONER MCCARTHY: Madam Chair, if I
15 may suggest, we are submitting that to you as a
16 subcommittee -- oh, no, we are not because we didn't
17 notice the meeting. So let me just state that Mr.
18 Wilhelm may wish to make a motion. See how quickly --
19 of course, I will no longer state that the three of us
20 share an opinion on the subcommittee anymore, but I
21 will support Mr. Wilhelm's proposal.

22 COMMISSIONER WILHELM: And for purposes of

1 our committee, the full title of that document is as
2 drafted by Wilhelm and tweaked by McCarthy and Dobson.
3 That was our official terminology. I move the
4 adoption of the version that -- the amended version
5 that was provided to the Commissioners. Let me just
6 note for the record that there is more than one
7 version floating around. And again, the version that
8 not only me but several Commissioners have omits in D
9 the word added by Dr. Dobson, which should be
10 included.

11 CHAIRPERSON JAMES: Limitation?

12 COMMISSIONER WILHELM: Which is the word
13 limitation immediately preceding initiation or
14 expansion. So depending on whether or not your
15 version has that, it should be there and I move their
16 adoption.

17 COMMISSIONER BIBLE: And I will second the
18 motion.

19 CHAIRPERSON JAMES: The motion has been
20 moved and properly seconded. Is there any discussion?
21 Mr. Loescher?

22 COMMISSIONER LOESCHER: Madam Chairman, I

1 am not keeping up here. I don't know where the word
2 limitation goes.

3 COMMISSIONER BIBLE: It is the fourth line
4 up from -- excuse me, Madam Chair.

5 CHAIRPERSON JAMES: Yes, please.

6 COMMISSIONER BIBLE: It is the fourth line
7 up from the bottom of the first page, the last word
8 where it reads, "communities and environments
9 considering the limitations..." and then onto the next
10 line, "initiation, or expansion..." The fourth line
11 up from the bottom.

12 COMMISSIONER MOORE: Put limitation there,
13 right?

14 CHAIRPERSON JAMES: That is correct.

15 COMMISSIONER LOESCHER: I have it now.
16 That is fine.

17 CHAIRPERSON JAMES: Any other questions or
18 discussion? I call for the vote. All in favor,
19 please say aye. Any opposed? Motion carries. We
20 will note for the record that Mr. McCarthy was out of
21 the room during the vote. Now we have the question
22 before us of ACIR and any discussion. I know that Mr.

1 -- can someone find Commissioner McCarthy and see?

2 COMMISSIONER WILHELM: If I may in Leo's
3 absence, Kay?

4 COMMISSIONER MCCARTHY: I am here. You
5 may anyway.

6 COMMISSIONER WILHELM: I wouldn't even
7 think of it now that you are the chair of a committee
8 as opposed to a mere subcommittee. Leo, the chair had
9 just raised the question of the ACIR, and I thought
10 perhaps you should reflect the state of that issue, at
11 least in the minds of the research committee.

12 CHAIRPERSON JAMES: Mr. McCarthy? Yes,
13 there you go.

14 COMMISSIONER MCCARTHY: I think the
15 feeling of the committee is that there could be a
16 serious opportunity for ACIR to assist us in some of
17 the research of this. I think I would like to get
18 just a little more information from Mr. Griffiths,
19 with whom I had the chance to speak now several times
20 and like very much. But if we could just get a clear
21 definition of how the research would be done. I am
22 sort of thrown for a loss about this business of this

1 competitive bidding and who would do the agreements.
2 Because I think Mr. Griffiths does have access to some
3 people who are quite familiar with state government
4 costs and finance and so on and that could possibly be
5 quite valuable. So I am personally not in a position
6 to vote for a contract this afternoon, but I would
7 like to pursue it with Mr. Griffiths. And I
8 especially would like to find a way to have a little
9 more flexibility in how we put these bids out. That
10 is enough.

11 CHAIRPERSON JAMES: Richard?

12 COMMISSIONER LEONE: Yes. I have a
13 somewhat more negative -- of course, I haven't had the
14 exchanges you have had. In my teaching days, I was
15 something of a wonk, and I certainly had a high
16 opinion of ACIR. However, as I understand the
17 situation, this Commission is essentially being called
18 upon to cover the entire overhead cost of keeping ACIR
19 in business while they do this subcontractor work and
20 other work for us. I have a high opinion of the
21 people who remain there and of the people they would
22 be likely to turn to, assuming the bidding process

1 permitted us to get the quality we need. But I am
2 troubled by it. It is an odd way to proceed. Again,
3 I think it is an odd way -- it is not an odd way for
4 Congress to proceed because Congress is sui generis on
5 these matters. But it raises in my mind a question of
6 whether -- this is probably why public meetings always
7 are a source of trouble. But it would be a lot
8 cheaper just to hire the two people who are there onto
9 our staff and have them go out and get people to do
10 the work. Not that I am suggesting that, but it is
11 again -- it is something that troubles me. The
12 arrangement troubles me. And I think that is going to
13 be a problem no matter how we slice it. But if and
14 when we have this committee formally in place, I am
15 confident that they will come back with the answer.
16 But I don't feel I have the answer today.

17 CHAIRPERSON JAMES: Jim?

18 COMMISSIONER DOBSON: Madam Chair, I think
19 my opinion is already clear on this one, and it is
20 very different than my view of the NRC, where I voted
21 against the motion simply because of timing. But I
22 can see the value of participating with them. I

1 really do have major concerns about our asking the
2 ACIR to do what they have proposed. They have
3 virtually no staff at this time, as we have said, and
4 certainly, as I can see, no specific expertise on the
5 subject of gambling. They are conducting no research
6 currently. They are an intermediary that is going to
7 serve primarily as a go-between and that seems
8 unnecessary to me at best. They would consume at
9 least \$1.4 million of our budget, whatever it happens
10 to be, and perhaps as much as \$20 million, if we
11 should have that much.

12 Approximately 30 percent of which, if I
13 heard correctly, goes for overhead. That is a chunk
14 of change. Now it is not real money because it is tax
15 money and so we can -- I am being facetious. I think
16 we do have an obligation to look out for how we spend
17 the money. And they, as has been mentioned, are
18 required to seek competitive bids for research
19 assistance, which will bog down the process.

20 Apparently the statute requires us to do
21 something with them. They have to assist us, it says.
22 But I would favor the minimum involvement or at least

1 to limit their participation in some way.

2 CHAIRPERSON JAMES: I would like to make
3 a suggestion at this point -- of course it is at the
4 discretion and will of the Commission -- that we kick
5 this one back to our -- what are we calling them now,
6 committee or subcommittee -- to Leo and John and Jim
7 and have them continue to ask some of these questions
8 and to research this issue a little bit further and to
9 report back to us when they feel that they have
10 sufficiently answered those questions to their
11 satisfaction. I don't think we necessarily have to
12 have a vote on that. It is a consensus issue. Bob?

13 COMMISSIONER LOESCHER: Madam Chairman, I
14 am against that suggestion and for the record, I
15 oppose the idea. A couple of things come to my mind.
16 The first one is an easy one. If we don't have to do
17 the Internet gambling thing with ACIR, let's don't and
18 figure out another way.

19 So I would like to sort of ask the
20 Commissioners to think of that in that vein and see
21 what we could conclude there. Another point is that
22 I am persuaded by the arguments this morning that we

1 should follow the law, and the law says that we have
2 to contract with ACIR. I think we should in good
3 faith try to implement the law. I really did like the
4 way the NRC made their prospectus, and maybe we ought
5 to give ACIR the opportunity to advance a prospectus
6 in each of the segments that they are challenged to
7 provide us advice with or reports on. I offer that as
8 a suggestion rather than going this other way
9 disparagingly saying that they are not capable, when
10 we have not given them the chance. And also, not
11 being responsive to the law in good faith. So I offer
12 that idea.

13 CHAIRPERSON JAMES: John?

14 COMMISSIONER WILHELM: I would agree that
15 it is premature to take the kind of decisive step with
16 the ACIR that we took today with the National Research
17 Council.

18 However, we ought not labor under the
19 delusion that, at least as I read the law, there is
20 any circumstance in which we will not have an
21 agreement with the ACIR. Because the law says, as I
22 read it, that we shall without any question contract

1 with the ACIR for Section 7(a)(1)(A), which is a
2 thorough review and cataloging of all applicable
3 federal, state, local, and Native American tribal
4 laws, regulations, and ordinances that pertain to
5 gambling in the United States. And then (B) is
6 assistance with respect to some of the other issues.
7 So clearly we are going to have a contract with the
8 ACIR, and I don't think there ought to be any lack of
9 clarity about that. But how extensive it is, it seems
10 to me that it would be premature to act upon today for
11 the reasons others have stated.

12 CHAIRPERSON JAMES: John, I think you are
13 absolutely right. There is absolutely no lack of
14 clarity, at least in my mind, about the fact that
15 there will be a contract with ACIR.

16 Having said that, I think that it would be
17 important for you and Leo and Jim to sit down and
18 figure out exactly what that scope would be and maybe
19 to have them come forward with a prospectus and answer
20 some of those difficult questions that were raised
21 this morning and work through some of those problems
22 related to contracting and subcontracting and

1 staffing. There may be some easy answers to this. We
2 just don't, at this particular point, know what they
3 are. Having said that, that is the final agenda item
4 on the Commission agenda for today.

5 COMMISSIONER LOESCHER: Madam Chairman?

6 CHAIRPERSON JAMES: Certainly I will
7 recognize you in just a minute, Mr. Loescher. We have
8 a full agenda for tomorrow. What I want to say as we
9 bring up to a close our time today, if there are any
10 additional items that Commission members would like to
11 discuss before we adjourn for the day, at this point
12 I would be happy to entertain any of those items. Mr.
13 Loescher?

14 COMMISSIONER LOESCHER: Madam Chairman,
15 your last comment before you moved to close this part
16 of the session was -- and you stated it affirmatively
17 again, notwithstanding my objection, that you turn
18 all of this research contracts to a committee of the
19 Commission. I object. I don't want you to have the
20 last word on it by declaration.

21 CHAIRPERSON JAMES: Mr. Loescher, I would
22 suggest if you would like to make a motion -- the

1 reason that I did not act on it is there was no motion
2 before the Commission. If you would like to make a
3 motion, I would be happy to see it. See if you can
4 get a second and then we will have a discussion.

5 COMMISSIONER LOESCHER: Madam Chairman, as
6 opposed to that, I don't want to make a motion. I
7 just want to say for the record that if you think your
8 declaration of transferring this to the committee is
9 the last word on the record and that it is a fact of
10 the Commission, then I object. I think that the thing
11 should go to a motion to transfer it to a committee
12 and I am not going to make that motion. But for the
13 record, I object to transferring a major part of this
14 Commission's business to a committee.

15 CHAIRPERSON JAMES: I am certainly happy
16 to entertain any motion, Mr. Loescher, that you would
17 like to make. Hearing none, the meeting -- oh, I see
18 another person over here.

19 COMMISSIONER WILHELM: I don't have a
20 motion. I have a different request.

21 CHAIRPERSON JAMES: Certainly.

22 COMMISSIONER WILHELM: When I asked the

1 ACIR representative the source of the advice about
2 bidding, it was Mr. Snowden, if I understood him.
3 Will he be with us tomorrow when we discuss the rules?

4 CHAIRPERSON JAMES: Yes.

5 COMMISSIONER WILHELM: Good. That would
6 be important. Because as you know, one of the
7 proposed rules relates to the Commissions approval of
8 contracts and subcontracts and so forth.

9 CHAIRPERSON JAMES: Certainly. One of the
10 reasons that that portion is on the agenda tomorrow is
11 because we will have certain legal counsel here from
12 GSA and so I want to make sure that they are present
13 to answer your questions to your satisfaction as we
14 have that discussion. Terry?

15 COMMISSIONER LANNI: Thank you, Kay. I
16 was wondering if also maybe Mr. Snowden or counsel
17 could give us some advice as to what extent we are
18 required -- maybe a little better definition of the
19 ACIR and to what extent they are required. I
20 understand it is clear in the statutes that they are
21 specifically required. But I would like maybe a
22 little more clarity on that tomorrow if we could.

1 CHAIRPERSON JAMES: That is fine. Paul?

2 COMMISSIONER MOORE: You just asked Leo
3 and John and all to study and sort of condense it
4 down. Then it comes back to the Commission.

5 CHAIRPERSON JAMES: That is correct. Any
6 other questions or business before the Commission this
7 evening? Then we will convene tomorrow morning at
8 9:00. Thank you.

9 (Whereupon, the meeting was adjourned at
10 4:29 p.m. to reconvene the following day at 9:00 a.m.)

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